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HOUSE BILL 2258

By Whitson

AN ACT to amend Tennessee Code Annotated, Section 8-36-210, relative to the eligibility of certain Group 1 members to elect coverage under the Group 2 provisions of the Tennessee Consolidated Retirement System.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 8-36-210, is amended by deleting from subdivisions (2) and (3) thereof the words "this section" and by substituting instead the words "this subsection (a)".

SECTION 2. Tennessee Code Annotated, Section 8-36-210, is further amended by designating the current language as subsection (a) and by adding the following as new subsections (b) through (d):

(b) Notwithstanding any provisions to the contrary, any Group 1 member employed as a state police officer or wildlife officer may elect to be covered by the retirement eligibility, benefit and contribution provisions applicable to Group 2 members; provided, that the following conditions are met:

(1) The member had creditable service as a state police officer or wildlife officer in either Group 2 of the Tennessee consolidated retirement system or in

Class C of the superseded state retirement system but withdrew such service by taking a refund of the member's accumulated contributions;

(2) The member re-establishes the withdrawn service by making a deposit equal to the total amount which was previously withdrawn, plus interest at the rate of seven and one-half percent (7.5%) per annum from the date of withdrawal to the date of payment;

(3) The member pays to the retirement system the difference between what such member would have contributed had such member been a Group 2 member and the amount such member actually paid, plus interest at the rate provided in § 8-37-214.

(c) Notwithstanding any provision to the contrary, any Group 1 member employed as a firefighter or police officer by a political subdivision participating under Chapter 35, Part 2 of this Title may elect to be covered by the retirement eligibility benefit and contribution provisions applicable to Group 2 members; provided, that the following conditions are met:

(1) The member had a creditable service in Group 2 of the Tennessee consolidated retirement system based upon service rendered to such political subdivision as a firefighter or police officer but withdrew such service by taking a refund of the member's accumulated contributions;

(2) The political subdivision authorizes and pays for the cost of an actuarial study to determine the liability associated with the granting of such benefits;

(3) Following the review of the cost of granting such benefits, the chief governing body of the political subdivision passes a resolution authorizing the provisions of this subsection, and accepting liability for such benefits;

(4) The member re-establishes the service withdrawn from Group 2 by making a deposit in accordance with sub-division (b)(2) above; and

(5) The member pays to the retirement system the contributions required in subdivision (b)(3) above.

(d) Payments required in subsections (b) and (c) of this section may be made through monthly installments pursuant to § 8-37-220. A member shall not be entitled to any rights or benefits provided under subsections (b) and (c) until all monthly installments have been received by the retirement system.

SECTION 3. The provisions of this act shall be subject to the funding being provided in the general appropriations act.

SECTION 4. This act shall take effect on July 1, 2000, the public welfare requiring it.